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SUBJECT: ESTONIAN PARLIAMENTARY ELECTIONS I: POLITICAL

PARTIES PRIMER

REF: TALLINN 79

11. (U) Summary: Estonia is in full campaign mode in the run up to parliamentary elections on March 4. Eleven parties are vying for seats in the Riigikogu (the Estonian parliament). Of these, five or six are expected to win enough votes for parliamentary representation. The "X-factors" in the election are the emergence of a new Greens party and the thousands of new Russian-speaking citizens eligible to vote this time around. As the first part of our election coverage, this cable provides a brief summary of the election process and background on each major political party. End Summary.

Election Procedures

12. (U) The 101 seats in Parliament will be allocated through an extremely complicated system based on the principle of proportionality. Essentially, seats are dealt first based on individual vote totals, and then to parties which have received at least 5% of the total votes cast. Following tradition, President Toomas Hendrik Ilves has affirmed that he will give the party which wins the most seats the first opportunity to form a coalition government. (Note: He is not required to do this by law. End Note.) Of the eleven parties running, we expect five or six will be represented in the next parliament.

The Coalition Government Parties:

The Estonian Reform Party

- 13. (U) The Reform Party is a neo-liberal and free market party led by Prime Minister Andrus Ansip.
 Reform has four other ministerial posts in the cabinet (Foreign Affairs, Defense, Justice, and Population) and won 19 seats in the 2003 elections. (Note: since 2003, defections from other parties have given Reform an additional four votes in the Parliament. End note.) Reform staunchly supports strong trans-Atlantic ties, bilaterally with the United States and through NATO. PM Ansip and other prominent Reform politicians have consistently expressed their support for Estonia's troops in Iraq and Afghanistan. While cautious, Reform has generally shown a pragmatic side in its dealings with Russia, especially in regards to improving cooperation on trade, transport infrastructure, and law enforcement.
- 14. (U) Based on its performance in the 2005 local elections and recent polling data, Reform is expected to become the biggest center-right party in

parliament. Reform's campaign touts Estonia's strong economic growth (almost 12% GDP growth last year), commits to continue income tax rate reductions, and pledges not to establish a tax on reinvested corporate profits. Reform is also reaching beyond its traditional base by promising to implement policies which support working mothers and promote higher national salaries. Reform is projected to spend \$1.65 million on its campaign. Most estimates indicate the party will win 25 to 30 seats. Reform is competing with the Center Party for the most seats in parliament. Ansip and Foreign Minister Urmas Paet hold the first two spots on Reform's list of candidates. Also in the top ten are Defense Minister Jurgen Ligi and Tartu Mayor Laine Janes.

The Center Party:

- 15. (U) The Estonian Center Party is a populist, center-left party led by Minister for Economy Edgar Savisaar. Center has over 10,000 members, holds four other ministerial posts in the cabinet (Social Affairs, Education, Interior, and Culture), and has 28 seats in parliament. (Note: since that election, eight MPs have left the party and one has joined, giving Center a net 21 seats. End note.) Officially, Center is a socially liberal party, but its campaign promises demonstrate a largely populist bent. Its political base is primarily pensioners, the working class, and Russian-speaking voters. Center maintains the largest and most formidable political machinery in the country, which is particularly effective in outreach to Russian-speaking communities.
- 16. (SBU) Center will spend close to \$1.7 million on TALLINN 00000088 002 OF 003

its election campaign. The party has prioritized raising the minimum wage, increasing retirement contributions and fees, improving and expanding social services to children and young families, and replacing the current flat tax with a progressive tax. Center Party has a formal cooperative relationship with the United Russia party and party leaders have tended to be more conciliatory on divisive issues between ethnic Estonians and Russian speakers (reftel). Most estimates indicate Center will win somewhere between 25-30 seats in the elections. Savisaar tops Center's list of candidates. Others in the top ten include Chairman of the Parliament Toomas Varek, Minister of Education Mailis Reps, Head of the Northern Tallinn Administration (and Savisaar's wife) Vilja Savisaar, and Tallinn Mayor Juri Ratas.

The People's Union Party:

- 17. (U) The People's Union party is an agrarian party represented by former Kolhoz (farm collectives), excommunist party officials, and large-scale farmers. It is led by former Environment Minister Villu Reiljan and currently holds three ministerial posts in the cabinet (Environment, Agriculture, and Regional Affairs) and has 14 seats in parliament. People's Union's devotes little time to foreign policy matters, although the party has been skeptical of Estonia's involvement in foreign military operations in general. During last December's Iraq Mandate renewal debates in the parliament, People's Union MPs were among the most vocal critics of Estonia's presence in Iraq.
- 18. (U) Recent polls suggest People's Union may struggle to receive enough votes to win any seats in parliament. However these polls tend to under-represent rural voters, and most politicians with whom we have spoken expect People's Union to be represented in the new parliament, albeit with fewer seats than in

at present. People's Union's campaign targets the have-nots in the booming economy with a slogan, "Equal opportunity for all." The party plans to spend \$800,000 on the campaign. The People's Union election list includes Villu Reiljan, Minister of Agriculture Ester Tuiksoo, Minister of Regional Affairs Jaan Ounapuu, and MP and faction leader Jaanus Maanik.

The Opposition Parties:

Pro Patria-Res Publica Union:

- 19. (U) The Pro Patria and Res Publica Union (IRL) was founded in June 2006 from the merger of two opposition center-right parties. Both are neo-liberal, free market parties. However Pro Patria, one of Estonia's oldest parties, is better known for its nationalist positions. Res Publica was established only in December 2001 as a "protest party." The IRL has a combined total of 35 seats in the Riigikogu. (Note: Since 2003, three MPs have left the IRL, leaving it with 32 seats in Parliament. End Note.)
- 110. (SBU) As a center-right party, the IRL is competing directly with Reform for seats in parliament. The IRL is campaigning on values -- with particular attention to social issues (e.g., health care, education, and declining demographics). Like Reform, the IRL is a strong supporter of the EU, NATO, and the United States. The IRL traditionally has a more "hawkish" attitude towards Russia, although this has not been a focus of this year's campaign. While Pro Patria's support has been steady since 2003, Res Publica's popularity has plummeted. According to polls, the IRL will likely get fewer seats than the two parties currently hold. The party plans to spend around \$1.5 million on its campaign. Most estimates indicate IRL will win 15-20 seats. Mart Laar sits at the top of IRL's candidate list as its candidate for Prime Minister. Others in the top ten include: former Tartu University Rector Jaak Aaviksoo, former PM Juhan Parts, Deputy Speaker Ene Ergma, and former Chief of Defense Forces Tarmo Kouts.

The Social Democrats:

111. (U) The Social Democratic (SDE) Party is a centerleft party led by MP Ivari Padar. The SDE has six seats in parliament and three seats in the European Parliament. (Note: Since 2003, defections from Center have given the SDE three additional seats in

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Parliament. End Note.) The SDE's former leader, Toomas Hendrik Ilves, was elected President in September 2006 (and so officially resigned from the party). The SDE is campaigning on expanding social services, particularly for young families and working mothers. The party's support comes mainly from professional, educated, and urban Estonians. The SDE's foreign policy is pro-EU and NATO. While supportive of Estonia's soldiers in Afghanistan, the SDE remains deeply divided over Iraq.

112. (U) With Ilves as President and its other more prominent members serving in the European Parliament, the SDE's electoral prospects rest on lesser-known members. The SDE's campaign budget of \$500,000 is the smallest of the five main parties. Most estimates suggest the SDE will get between 10-15 seats. The SDE's party list includes Party Chairman Ivari Padar, MP and former Defense Minister Sven Mikser, Member of the European Parliament Katrin Saks, MP and former Deputy Speaker Peter Kreitzberg, and MP Eiki Nestor.

The Cinderella Party?

113. (U) The Estonian Greens were established in November 2006 and are fielding 101 candidates in the elections. The most well-known member is Party Chairman Marek Strandberg. The Greens' platform includes protection of Estonia's natural resources, combating climate change, innovation in alternative energy, promotion of direct democracy, and conservative fiscal policies. The Greens have been polling well since announcing they would participate in the elections. However, a February poll indicating 11% support, surprised most election watchers. People speculate that the Greens may attract some of the "protest vote" that went to Res Publica in 2003.

The Best of the Rest

114. (U) Of the five minor parties running in the election, the most interesting is the Constitution Party (CP), which represents Russian-speaking voters. The CP is the successor of the Estonian United People's Party (EUPP), which held six seats in the parliament in 1999-2003. The party is competing directly with Center for the votes of Russian-speaking Estonians -- a battle the EUPP lost in 2003 when it only got 2.2% of the vote. CP leader, Andrey Zarenkov, is campaigning aggressively -- complaining about a revival of Nazism in Estonia and Estonian language requirements. However, few people believe the CP will win enough votes away from Center to get any seats in parliament.

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